



**Annual Report
CY 2005**

May 1, 2006

**Southwest Border HIDTA (SWBH) New Mexico Region (NMR)
2005 Annual Report**

I. Executive Summary

Illegal drugs continue to affect virtually every aspect of our society. The HIDTA program is designed to significantly disrupt the market for these illicit activities. It can be said that every time illegal drugs and associated drug assets are seized, the regional market place for illegal drugs suffers a setback. These seizures hit drug trafficking organizations (DTOs) hard, affecting their profitability, and frequently their ultimate survival. By disrupting the drug supply chain, particularly at the multi-state or international level, law enforcement impacts the drug flow before it ever reaches the individual user. Law enforcement activities, of course, also have a cost. A key question emerges, therefore, as to how efficiently and effectively public dollars are being spent on these objectives. This report answers those questions. During this past reporting period, the New Mexico Region (NMR) initiatives disrupted the market for illegal drugs by meeting or exceeding most of their performance targets for the year, and they did so in a cost effective manner. The following highlights this success:

- To maximize results, the NMR facilitates cooperation and joint efforts between different law enforcement organizations. There were over 59 federal, state, and local law enforcement agencies participating in the NMR law enforcement initiatives and task forces. With support from the NMR Investigative Support Center, regional initiatives continue to make significant progress in identifying, investigating, and dismantling or disrupting the area's most dangerous and prolific DTOs, drug dealers, money launders, smugglers, transporters, fugitives, and violent criminals.
- Illicit drugs are extremely profitable for the illegal organizations that traffic them. Unmistakably, removing those profits affects them at every level in some manner or the other. During 2005, almost \$57,180,820 dollars in illicit drug profits were permanently removed from the balance sheets of regional and corporate DTOs. To the largest legitimate corporation this would be a serious financial blow. Its impact on an illegal DTO is greater yet, and represents a sizeable reduction in illicit drug availability.
- Fighting the battle against illicit drug trafficking costs money. One can take great comfort; however, from the fact that every NMR budget dollar spent on law enforcement prosecution and investigative support activities, contributed to removing \$47,182,000 in illicit drugs from the market and seizing \$9,998,820 of drug-related assets. Thus, the NMR initiatives achieved a combined Return-on-investment (ROI) of \$7 for every \$8 of NMR funds invested.
- HIDTAs exist to disrupt and dismantle DTOs. At the beginning of 2005, NMR HIDTA initiatives identified 110 DTOs and targeted 99 of those identified. By the end of the year 100% of these targeted DTOs, and money laundering organizations were disrupted. In addition, 15 DTOs were totally dismantled. A significant achievement.

- During the year, 491 additional DTOs were identified, of which 473 were also targeted. Four hundred five of these new “targets of opportunity” were disrupted by years end, and 72 more were totally dismantled.
- Combining the DTOs targeted at the beginning of 2005 with those targeted later in the year, 87 DTOs were dismantled, removing their illegal activities from the marketplace.
- The NMR strives to investigate larger, more complex DTOs where the greatest positive impact can be achieved. Disrupting or dismantling a large complex DTO generally takes longer than stopping a street level operation, but doing so can substantially reduce the illicit drug marketplace. As illustrated by the statistical measures contained throughout this Annual Report, during CY 2005, the NMR initiatives targeted more complex cases involving larger DTOs. More specifically, it handled 9 OCDETF cases of which 1 involved multi-state DTOs and 6 were international in scope.
- One NMR initiative targeted a transportation and distribution DTO linked to an international CPOT in 2005. This Title III investigation targeted and consequently arrested 25 local members of the organizations distribution cells located in El Paso, Texas and southeastern New Mexico. A spin off Title III investigation resulted in the arrest of 25 additional members of the organizations transportation and money laundering cells, along with the seizure of 11 pounds of methamphetamine and \$5 million in drug profits which are currently being pursued for forfeiture. This DTO was capable of distributing 40-60 pounds of methamphetamine per week or 3120 pounds per year to southeastern New Mexico alone. This DTO, while being thoroughly dismantled, produced significant investigative leads that are currently being pursued by five other HIDTAs.
- NMR initiatives identified 9 and targeted 8 money laundering DTOs in 2005. Of these, none were dismantled and 7 were disrupted. Intelligence indicated that 3 of these money laundering DTOs combined has the potential to launder over 12 million dollars in drug profits per year.

The NMR continues to play a leading role in assisting the law enforcement, prosecution and investigative support initiatives with their information sharing and training needs. Information sharing and training support form the “glue” that binds these initiatives together by promoting and facilitating greater efficiency and effectiveness.

II. Introduction

The Southwest Border HITDA (SWBH) New Mexico Region (NMR) is pleased to present this Annual Report documenting its activities during the last calendar year. To fully appreciate the SWBH NMR’s achievements, it is important to understand how each HIDTA is structured and why it exists. The Director, Office of National Drug Control Policy (ONDCP), designates regions with critical drug trafficking problems adversely impacting the United States as High Intensity Drug Trafficking Areas (HIDTAs). By design, HIDTA Offices are located in these areas. Thus, the national HIDTA program, composed of 28 individual HIDTAs spread throughout the nation, is uniquely situated to counteract this illicit activity. HIDTAs play a

significant role in addressing real world drug and drug-related problems, and offer real world solutions. The (NMR) is no exception. The NMR has fostered cooperative and effective working relationships with over 59 federal, state, and local agencies in its quest to disrupt or dismantle DTOs. These working relationships are embodied in the NMR HIDTA initiatives. A detailed description of each initiative can be found in the NMR 2005 Strategy, which is available from the Directors Office.

The NMR law enforcement initiatives have established priorities that focus on immobilizing DTO's, especially those involved in the importation, transportation and distribution of illegal drugs, as well as those involved in illicit drug related crimes that have the greatest adverse impact on the quality of life in the State of New Mexico. A concentration on disrupting and dismantling Black Tar Heroin distribution is another substantial commitment by investigative and prosecution agencies in New Mexico. There is a determined effort to counter drug movement into and through New Mexico and to arrest those who conceal and export proceeds from illegal drug sales within New Mexico. This is exemplified by the continuing enhancements to regional investigative and interdiction initiatives. These priorities are supported by a strong commitment from federal and state prosecutors to provide timely prosecutions and sound legal advice.

To achieve meaningful results, each HIDTA needs clear goals (the HIDTA Program Goals); a recognition of the challenges faced (a Threat Assessment); a plan to get there (a strategy with quantifiable performance targets); and a way to document achievements (an Annual Report). The over all HIDTA mission is embodied by the National Program Mission Statement:

The mission of the High Intensity Drug Trafficking Areas (HIDTA) Program is to disrupt the market for illegal drugs in the United States by assisting federal, state and local law enforcement entities participating in the HIDTA program to dismantle and disrupt drug trafficking organizations, with particular emphasis on drug trafficking regions that have harmful effects on other parts of the United States.

During the previous calendar year, the NMR Director and Executive Board worked closely with law enforcement and local HITDA staff to develop a vision of the future which clearly reflects what outcomes HITDA initiatives seek to achieve.

New Mexico Region Vision Statement

. The New Mexico Region of the SWB HIDTA will in the next five (5) years expand the operations of the Intelligence Support Center by establishing a centrally located watch center to provide 24/7 operational support; run 100% more case and event de-conflictions and a more effective pointer system with all federal state and local enforcement agencies; increase the number of Intelligence Analysts by fifty (50) to support more intelligence driven investigations; establish ISC Nodes in Albuquerque, Farmington, Santa Fe, Roswell, Carlsbad and Deming; install Title III equipment in all nodes to develop higher level investigations in coordination with other HIDTAs; and develop an intelligence phase of an enforcement program for operations on American Indian Land in Arizona and New Mexico.

New Mexico Region Mission Statement

The mission of the NM Region HIDTA Program is to reduce drug availability by creating intelligence-driven drug task forces aimed at eliminating or reducing domestic drug trafficking and its harmful consequences. This is accomplished through initiatives that enhance and help to coordinate drug trafficking control efforts among federal, state and local law enforcement agencies. This mission will develop a synchronized system involving coordinated intelligence, interdiction, investigation, and prosecution efforts to measurably reduce drug trafficking; thereby reducing the impact of illicit drugs in this state and other areas of the country. To accomplish its mission, the goals of the New Mexico Region will include the goals and core measures outlined in ONDCP Program Guidance. These goals include threat specific outcomes that have been determined to be unique to a given area:

- Reducing the transshipment of drugs into and through New Mexico by identifying and disrupting transportation organizations through interdiction efforts.
- Aggressively pursuing follow-up investigations of drug interdictions to effectively disrupt and dismantle drug trafficking organizations.
- Reducing the distribution of drugs.
- Targeting to disrupt/dismantle heroin distribution organizations.
- Pursuing money movement activities.
- Pursuing aggressive prosecution of individuals involved in drug trafficking/distribution organizations.
- Increasing drug intelligence sharing.
- Pursuing intelligence-driven investigations.

Reporting Period: This Annual Report covers the reporting period January 1, 2005 to December 31, 2005.

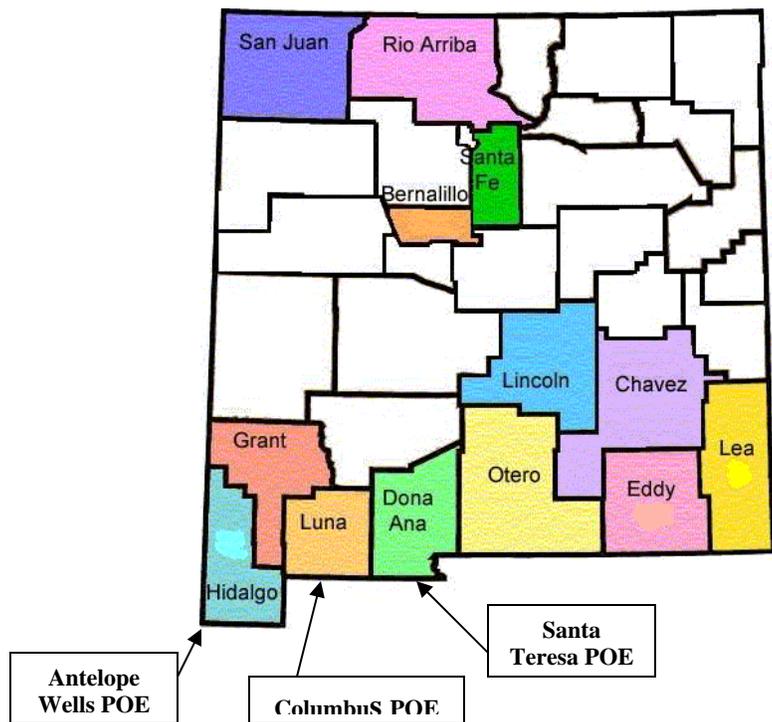
Budget Allocation: During this reporting period, ONDCP allocated a baseline \$7,558,124.00 budget for the NMR; along with \$1,490,000.00 in supplemental CPOT, Highway Interdiction and Special Projects funds, for a total of \$8,453,902.00. The NMR strives to minimize any expenditure that does not directly address achieving their primary objectives. Accordingly, the NMR allocates 100% of its allocation directly to its participating initiatives and their operational support costs.

Geographic Area of Responsibility:

New Mexico – Counties: Bernalillo (Designated in 1994), Chaves, Dona Ana, Eddy, Grant, Hidalgo, Lea, Lincoln, Luna, Otero, (Designated in 1997), Rio Arriba, San Juan, and Santa Fe (Designated in 1999).

The NMR includes 13 of the 33 counties plagued with the most intense drug trafficking in the state of New Mexico. They include all (6) of the jurisdictions along the United States border with Mexico, and interior counties (7) affected by drug distribution and money laundering activities. The blend of rural and urban areas in the Region fosters an ideal habitat for drug smuggling, transportation, distribution, production and consumption of illegal drugs. Three International

Ports of Entries into the United States, and the 180 miles of open border attributes to the 2,054 drug enforcement events annually throughout the state. Specifically, highly developed transportation, and concealment methods (land, air, and container) open land, interstate corridors and intrastate routes facilitate the illegal importation of drugs and exportation of drug proceeds. In addition the highly developed communication methods, and technology coupled with the close proximity to Mexico, enhances the mobility and success of DTOs by allowing them to maintain a command a control outside the reach of U.S. Law Enforcement.



III. National HIDTA Goals

HIDTAs nationally have adopted two specific goals to be achieved in meeting the drug challenge. These two national goals guide all HIDTA initiatives and activities throughout the United States. The NMR is proud to present these national HIDTA program goals, plus concise summaries of its Threat Assessment for Budget Year 2005 and resultant Strategy in the following sections. The NMR strategy is developed in conjunction with the Southwest Border HIDTA Strategy to meet local drug threats according to its individual needs, in conjunction with the national objectives.

Goal 1: Disrupt the market for illegal drugs by dismantling or disrupting drug trafficking and/or money laundering organizations; and

Goal 2: Improve the efficiency and effectiveness of HITDA initiatives.

The HIDTA Goals represent clear targets for the NMR initiatives. They also provide the foundation upon which performance planning and outcome measurement are based. As the NMR

develops budget submissions, each NMR initiative must present programmatic and fiscal requests that are based on the Threat Assessment; must articulate how the initiative's funding request directly addresses the threat; set realistic performance measures; and each initiative must eventually provide specific information on how the funding has allowed the NMR to meet its desired outcomes. The NMR initiatives are developed within clear national guidelines governing all HITDA activities and expenditures.

The NMR Executive Committee (EC) is involved in all aspects of the NMR Intelligence, Investigation, Interdiction and Prosecution activities. The EC provides a forum to share important trends in drug trafficking, gathers information on which drugs are being distributed throughout the region, and identifies DTOs. The EC also addresses important administrative issues in its oversight capacity. The EC has established an Intelligence Subcommittee that supports NMR initiatives and its participating agencies on a wide variety of intelligence issues, training, computer technology and other matters. The NMRs success is measured by results, and each initiative is fully accountable for its success or failure in meeting its objectives.

IV. Summary of Threat Assessment for Budget Year 2005

New Mexico is a major corridor for illegal drugs that are smuggled into the United States. Its geography continues to be the most salient factor in the drug trafficking threat posed in New Mexico. The open border areas between Ports of Entry (POE), coupled with the cross-compartmentalized terrain in the "Boot Heel" area of Southwest New Mexico, and access to major road networks makes this area the most vulnerable for law enforcement. Interstate highway 40 in central New Mexico is a critical east-west line of communication connecting New Mexico to both Arizona and Texas and is a viable alternative to traffickers that move drugs and/or drug proceeds into and through New Mexico. Limited law enforcement presence along the border coupled with a lack of natural or man made obstacles along the border increase the drug smuggling threat. Methamphetamine continues to be a predominant drug threat throughout New Mexico both in terms of transportation and distribution. Heroin is the most significant drug threat in New Mexico in terms of abuse. The threat is highly localized in the northern counties of Rio Arriba, Bernalillo, and Santa Fe. Cocaine and Marijuana continue to be primary transportation threats throughout New Mexico. The abuse and trafficking of Other Controlled Substances and the diversion and abuse of pharmaceuticals poses a minimal threat to New Mexico. Bulk cash shipments, wire transfers, casinos, remittance businesses, and used car businesses appear to account for a majority of the money laundering activity in New Mexico.

V. HIDTA Strategy Summary

The New Mexico Region integrated systems approach will use intelligence to synchronize efforts of investigations, interdiction, prosecution and support. This will be in direct support of multi-jurisdictional initiatives that focus on teamwork, accountability and intelligence sharing. FY 2005 New Mexico Regional initiatives will focus on continuing efforts to reduce the transshipment/distribution of drugs and money movement activities. The New Mexico Region emphasizes the development of Consolidated Prioritized Organization Targets (CPOTs), Regional Prioritized Organization Targets (RPOTs) and Organized Crime Drug Enforcement Task Force (OCDETF) level cases initiated through interdiction and investigative efforts.

To combat the identified drug threat that exists in New Mexico, federal, state and local law enforcement agencies have combined their efforts with multi-jurisdictional collocated/commingled drug task forces and initiatives. These intelligence-driven task forces will pursue coordinated efforts to reduce the smuggling and transshipment of drugs into and through this state. The New Mexico Region FY 2005 Strategy will continue interdiction activities targeted at drug transshipments into and through New Mexico. The Strategy will include extensive systematic follow-up investigations, involving intelligence analysis and sharing, and an aggressive prosecution structure that will be focused at CPOT/RPOT level cases in accordance with ONDCP guidelines. The New Mexico Regional initiatives consist of federal, state and local law enforcement agencies whose combined efforts focus on disrupting and dismantling local, regional, national and international level drug and money laundering organizations.

VI. HIDTA Performance Measures

HIDTAs nationwide are now using Performance measures instituted in 2004 to quantify and track HIDTA targets and monitor HIDTA results. The Performance Management Process (PMP) uses the 2005 Annual Report to illustrate the effectiveness and efficiency of the NMR HIDTA as compared to the previous year. The next series of tables and charts present specific outputs and efficiency measures organized in NMR Goal order.

A. Performance Measures for Goal 1

Table 1 – Percentage of DTOs and MLOs Disrupted or Dismantled in 2005

Table 1: Percentage of DTOs and MLOs Disrupted or Dismantled for Year 2005 at SWB - New Mexico Region						
Year	DTOs Identified	Total Targeted	# Disrupted	% of Targeted Disrupted	# Dismantled	% of Targeted Dismantled
Begin 2005	47	35	28	80%	2	6%
During 2005	185	185	94	51%	35	19%
Total 2005	232	220	122	55%	37	17%

Table 2 - Percentages of DTOs Disrupted or Dismantled by Scope, 2005

Table 2: Percentage of DTOs and MLOs Disrupted or Dismantled by Scope for Year 2005, at SWB - New Mexico Region [ALL DTOs; MLOs included]								
Scope	# Identified	# Targeted	# Disrupted	% of Targeted Disrupted	# Dismantled	% of Targeted Dismantled	Total Disrupted or Dismantled	Total % Disrupted or Dismantled
International	64	60	41	68%	2	3%	43	72%
Multi-state	51	49	24	49%	10	20%	34	69%
Local	117	111	57	51%	25	23%	82	74%
Total	232	220	122	55%	37	17%	159	72%

Table 3 - Percentage of Money Laundering Organizations Disrupted or Dismantled by Scope, 2005

Table 3: Percentage of Money Laundering Organizations Disrupted or Dismantled by Scope for Year 2005, at SWB - New Mexico Region								
Scope	# Identified MLOs	# Targeted	# Disrupted	% of Targeted Disrupted	# Dismantled	% of Targeted Dismantled	Total Disrupted or Dismantled	Total % Disrupted or Dismantled
International	5	4	2	50%	0	0%	2	50%
Multi-state	0	0	0	0%	0	0%	0	0%
Local	1	1	1	100%	0	0%	1	100%
Total	6	5	3	60%	0	0%	3	60%

Table 4 - Operational Scope of all DTO Cases Initiated, 2005.

Table 4: Operational Scope of All DTO and MLO Cases Initiated for Year 2005, at SWB - New Mexico Region				
Scope	# CPOT Cases	# RPOT Cases	# OCDETF Cases	% OCDETF of Total DTOs Targeted
International	6	4	5	8%
Multi-state	0	2	3	6%
Local	0	2	0	0%
Total	6	8	8	4%

HIDTA’s across the nation target organizations that ply this illegal trade, and are dedicated to stopping them. Tables 1 through 4 reflect the impact the NMR initiatives had on DTOs, not only with the NMR itself, but also nationally and internationally. At the beginning of each year, NMR initiatives continue investigating DTOs that have been previously identified, most of which will also have been specifically targeted for disruption or total dismantlement. Table 1 shows that as of January 2005 NMR initiatives had dismantled all DTOs from 2004 with the exception of 47 DTO’s still under investigation. Of these, 35 were targeted for either disruption or dismantlement. During the course of the year, the initiatives identified 185 additional DTOs, all of which were targeted. By the end of the calendar year 2005 the NMR disrupted 28 and dismantled 2 others originally identified in the beginning of 2005 but not originally targeted. In addition, the NMR disrupted 94 and dismantled 35 from among the 185 additional DTOs identified during the calendar year. Thus, a total of 159 DTOs were disrupted or dismantled. In short, of the 185 DTOs identified in the reporting period, 55% of the 220 targeted for action were disrupted or dismantled.

Traditionally, law enforcement has been most successful at the street dealer level. These “small-time” operators were less sophisticated than the larger better financed DTOs and, consequently presented easier targets. More emphasis needed to be placed on larger DTOs where a disruption or dismantlement would have greater impact on the marketplace. HIDTAs are geared to attack the problem at the upper levels. Table 2 explains NMR success in terms of the operational scope of the DTOs identified and targeted in calendar year 2004. Of the 185 DTOs identified, 115 (64&51) operated beyond the NMR in multiple states, or were involved in international operations. NMR initiatives targeted 109 (60&49) of these major operations, disrupting 65 (41&24) and totally dismantling 12 of the larger targeted DTOs. Forty-three of the 60 targeted international DTOs were dismantled or disrupted. While this was slightly short of the targeted number, it still reflects the NMR commitment to identify, target and dismantle or disrupt large-scale drug operations.

Table 2 also demonstrates the NMR’s commitment to reduce retail drug sales by targeting 111 local DTOs. This attention to local DTOs resulted in 57 disrupted and 25 dismantled.

Attacking street level traffickers in conjunction with the larger DTO targets has a ripple effect in the drug supply chain. Taking off a small dealer, even though the drug quantity seized may be small, impacts the ability of international and multi-state DTOs to get their drugs into the hands of drug users, thus helping to reduce the efficiency and effectiveness of this black market industry.

The drug trade for the most part is based on cash sales. Attacking the profits of drug dealers, therefore, is a very constructive approach to disrupting the drug market. As reflected in Table 3, NMR initiatives identified 6 money laundering DTOs and targeted 5 during CY 2005. Of these, none were dismantled and 3 were disrupted.

The NMR stresses the importance of developing cases having the potential to qualify for OCDETF designation. Of the 105 cases opened in 2005, 8 received OCDETF designation. Of the 64 international DTOs targeted, NMR initiatives developed enough information to cause 6 of these to be designated as CPOT cases and 8 designated as RPOT cases. Eight of these also became OCDETF cases. Table 4 shows that overall, 4 % of all CPOT and RPOT cases opened in 2005 received OCDETF designation.

Tables 1-4 clearly reflect the nature of the NMR enforcement efforts and demonstrate its effectiveness in achieving its targeted outcomes. In nearly every instance, the NMR achieved or exceeded its performance targets.

Table 5 - Drugs Removed from the Marketplace, 2005.

Table 5: Drugs Removed from the Marketplace for Year 2005, at SWB - New Mexico Region		
Drugs Seized (kg or D.U.)	Amount Seized (kg or D.U.)	Wholesale Value
heroin kg	43.025	\$901,713
cocaine HCL kg	494.562	\$8,551,756
crack cocaine kg	0.051	\$1,071
marijuana kg	92,065.984	\$37,903,970
marijuana plants and grows	0	\$0
methamphetamine kg	118.103	\$708,618
methamphetamine ice kg	0	\$0
ecstasy(MDMA)(D.U.s)	1,456.000	\$29,120
Hashish	0.025	\$1,250
Marijuana (outdoor)	1,268.638	\$435,354
Other	806.750	\$80,675
Oxycontin	0.200	\$3
Prescription Drugs	3,756.000	\$37,560
Psilocybin	0.004	\$4
Total Wholesale Value		\$48,651,095

During CY 2005, the NMR made a significant impact on the regions drug trade through its drug seizures. Table 5 lists the wholesale values of the respective drugs seized, thus giving a highly accurate and true depiction of the economic impact of removing these drugs from the marketplace. In this fashion, achieving the NMR goals is more clearly shown in terms of real dollar outcomes.

Table 6 - Return on Investment (ROI) for Drugs Removed from the Marketplace by Law Enforcement Initiatives, 2005.

SWB - New Mexico Region Table 6: Return on Investment (ROI) for Drugs Removed from the Marketplace by Law Enforcement Initiatives by Year					
Year	Budget	Baseline Drug Wholesale Value	Targeted Drug ROI	Drug Wholesale Value Removed From Market	Actual Drug ROI
2004	\$6,963,902	\$55,363,000	\$7	\$63,326,000	\$9
2005	\$6,806,169	\$55,363,000	\$8	\$48,651,095	\$7

Table 7 - Return on Investment (ROI) for Assets Removed from the Marketplace by Law Enforcement Initiatives, 2005.

SWB - New Mexico Region Table 7: Return on Investment (ROI) for Assets Removed from the Marketplace by Law Enforcement Initiatives by Year							
Year	Budget	Baseline Value of Drug Assets	Targeted Asset ROI	Value of Drug Assets Removed from Market			Actual Asset ROI
				Cash	Other Assets	Total	
2004	\$6,963,902	\$8,729,035	\$1	\$0	\$9,998,820	\$9,998,820	\$1
2005	\$6,806,169	\$8,729,035	\$1	\$3,833,988	\$11,429,463	\$15,263,452	\$2

NMR initiatives seized \$48,651,095 in drug assets during CY 2005, thereby reducing availability and subsequent abuse. This is ROI of \$7 for every \$1 of HIDTA funding invested in NMR law enforcement, prosecution and intelligence initiatives. It is well recognized, of course, that additional law enforcement dollars from agencies outside HITDA for such expenses as officer salaries, police overhead etc, also contribute to drug seizures. Table 7 does not attempt to calibrate such outside expenses, but focused directly on what the NMR spends.

Table 8 -Total Return on Investment (ROI) for Drugs and Assets Removed from the Marketplace by Law Enforcement Initiatives, 2005.

SWB - New Mexico Region Table 8: Total Return on Investment (ROI) for Drugs and Assets Removed from the Marketplace by Law Enforcement Initiatives by Year					
Year	Budget	Drugs and Assets Baseline	Targeted Total ROI	Drugs and Assets Removed from Market	Actual Total ROI
2004	\$6,963,902	\$64,092,035	\$8	\$73,324,820	\$11
2005	\$6,806,169	\$64,092,035	\$9	\$63,914,547	\$9

Tables 6, 7, and 8 demonstrate the efficiency of the NMR insofar as removing illicit drug profits from the DTOs. As shown in Tables 6 and 7, the NMR used \$55,363,000 worth of illicit drugs and \$8,729,035 in drug assets, each the average of the past three years, as a baseline to estimate what it would seize in 2004. Based upon available funding, the NMR invested \$6,806,169 million to achieve these two goals. In both instances the NMR succeeded.

In all, the NMR permanently removed \$48,651,095 in illicit drugs and \$15,263,452 in drug profits from the marketplace. These rates of return are nearing the results of well run businesses in the private sector. Significant benefits were achieved at a low cost.

Table 9 - Prosecution Initiative Cost per Investigation, 2005.

Prosecution Outputs and Outcomes by Year at SWB - New Mexico Region HIDTA				
Year	Investigations Baseline	Investigations Projected	Investigations Handled	% Handled
2004	3566	2397	3566	149%
2005	3566	1605	4072	254%

The NMR Prosecution Initiatives support the investigative and interdiction initiatives with case development, evidence collection, asset seizure, pre-trial preparation, and case presentation. NMR prosecutors provide advice, legal counsel and legal assistance on all operational matters to ensure compliance with the appropriate state and federal criminal law requirements. Table 9 indicates that the NMR is operating at 254 % efficiency over projected per annum investigations. The cost per investigation also suggests that the NMR concentrated its efforts on more time consuming complex cases. The data reported in Tables 1 through 4 supports this finding.

Table 10 - Value of Clandestine Methamphetamine Labs Dismantled in 2005, by Size.

Table 10: Value of Clandestine Methamphetamine Laboratories Dismantled by Size for Year 2005, at SWB - New Mexico Region			
Meth Cost Per Ounce		\$650.00	
Lab Size	ID/Targeted	Dismantled	Value of Labs Dismantled
A. Less than 2 Oz	87	108	\$140,400.00
B. 2 - 8 Oz	0	1	\$3,250.00
C. 9 - 31 Oz	0	0	\$0.00
D. 32 - 159 Oz	0	0	\$0.00
E. 10 - 20 Lbs	0	0	\$0.00
F. Over 20 Lbs	0	0	\$0.00
Total	87	109	\$143,650.00

Methamphetamine abuse is an escalating drug problem in many HIDTAs across the country, and the NMR region is no exception.. Table 10 shows that NMR initiatives targeted 87 and dismantled 109 methamphetamine drug laboratories or various sizes. At a local selling price or \$650 per ounce on the street, it conversely stopped production of over \$143,650 worth of raw methamphetamine.

Table 11 - Clandestine Laboratory Activities, 2005

Table 11: HIDTA Clandestine Laboratory Activities for Year SWB - New Mexico Region, in 2005				
	Baseline	# Projected	# Identified	% Identified
Laboratory Dump Sites Seized	35	3	9	300%
Chemical/Glassware Equipment Seizures	59	20	15	75%
Children Affected	1	1	6	600%

Source NMSP & NMISC

Table 11 reflects the clandestine methamphetamine precursor and essential chemical activities, the outcome of which contributes to achieving the NMR Mission. Chemical dump sites pose a significant health hazard for the NMR. Intelligence analysts and initiative investigators combined to identify 9 dump sites in 2005, 200% more than anticipated. As a result, these sites have been or are in the process of being decontaminated so they will no longer pose a health threat

Performance Measures for Goal 2

Table 12 - NMR Training Efficiency by Year and Type of Training

Table 12: HIDTA Training Efficiency by Type of Training for Year 2005, at SWB - New Mexico Region											
Type of Training	# Students Expected for Training		# Students Actually Trained		# Training Hours Actually Provided		Total Training Cost		Training Cost Per Hour		
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	% Change 2004-2005
Analytical/Computer	250	300	41	37	1,640	148	\$1,991	\$7,193	\$1.21	\$48.60	3917%
Investigative/Interdiction	250	400	823	770	12,388	14,227	\$13,719	\$36,262	\$1.11	\$2.55	130%
Managment/Administrative	250	300	144	133	1,456	1,560	\$4,344	\$786	\$2.98	\$0.50	-83%
Other	0	0	0	0	0	0	\$0	\$0	0	0	0%
Total	750	1,000	1,008	940	15,484	15,935	\$20,054	\$44,241	\$1.29	\$2.77	115%

Training is essential in improving both the efficiency and effectiveness of NMR operations. The NMR provided training to 940 students in 2005 for a total of 15,935 classroom hours. The training was designed to improve their computer and analytical skills, bolster their investigative knowledge and develop their managerial abilities. This training, which cost the NMR on average \$2.77 per classroom hour, was provided free of charge to NMR assigned and participating agency investigators. These training courses would not have been available without the NMR support and funding.

Table 13 - Percentage of NMR Initiatives Using Event and Case De-confliction Services, 2005

Table 13: Percentage of HIDTA Initiatives Using Event and Case Deconfliction Services for Year at SWB - New Mexico Region				
Year	Total HIDTA Initiatives	# Initiatives Targeted to Use Services	# Initiatives Using Services	% Initiatives Using Services
2004	33	16	0	0%
2005	33	16	0	0%
2006	33	16	0	0%
2007	33	16	0	0%

Table 14 - Percentage of Event and Case De-conflictions Submitted, 2005

Table 14: Percentage of Event and Case Deconflictions Submitted for Year at SWB - New Mexico Region						
Year	Baseline # Deconflictions Submitted	# Deconfliction Submissions Targeted	# Event Deconflictions Submitted	# Case/Subject Deconflictions Submitted	Total Deconflictions Submitted	% Deconflictions Submitted
2004	2052	2,052	2,023	29	2,052	100%
2005	2052	2,085	1,957	17	1,974	95%
2006	2052	1,970	0	0	0	0%
2007	2052	1,970	0	0	0	0%

Separate law enforcement initiatives, while aggressively pursuing or covering an event, can easily cross paths in the field. This can be dangerous if either party is unaware of the other. Information which can serve to de-conflict such potential encounters is vital to well coordinated policing. The NMR provides such information through its Investigative Support Center. Of the 16 NMR initiatives eligible to use NMR de-confliction services, 100 % took advantage of these valuable tools. Table 13 and 14 depict how well NMR initiatives and participating agencies used these services. Event and case/subject de-conflictions increased 95% compared to baseline data. These services promote officer safety, conserve and help to coordinate investigations.

Table 15 - Percentage of Investigations Provided Analytical Support, 2005

Table 15: Percentage of Cases Provided Analytical Support for Year at SWB - New Mexico Region				
Year	Baseline # Cases Receiving Analytical Support	# Cases Targeted for Analytical Support	# Cases Provided Analytical Support	% Targeted Cases Supported
2004	496	1230	496	40%
2005	496	126	476	377%
2006	496	52	15	28%
2007	496	62	0	0%

Note: Analytical Support is defined as: Investigations receiving, from initiation to completion, 3 or more major analytical activities to further the investigation.

Table 16 - Percentage of NMR Initiative Investigations Referred to other HIDTAs and Other Agencies, 2005

Table 16: Percentage of HIDTA Initiative Cases Referred to Other HIDTAs and Other Agencies for Year at SWB - New Mexico Region						
Year	Total HIDTA Initiative Cases	# Initiative Cases Targeted for Referral	# HIDTA Initiative Cases Referred to Other HIDTAs	# HIDTA Initiative Cases Referred to Other Agencies	Total Initiative Cases Referred	% Targeted Initiative Cases Referred
2004	488	2	12	13	25	1250%
2005	1601	56	37	688	725	1294%
2006	385	58	0	197	197	339%
2007	0	73	0	0	0	0%

Tables 15 and 16 clearly depict the positive outcome achieved by NMR initiatives in the areas of Investigation Support and Affiliated Case Referrals. These activities are essential to the NMR in improving efficiency and effectiveness through information sharing and coordinated intelligence. During CY 2005, NMR referred 725 investigations to other HIDTAs as well as to other agencies. The NMR fell short in providing the anticipated number of requests for analytical support. However, this is due to the increased level of visibility of the ISC, the increased targeting of higher level violators by the NMR initiatives, and the shortage of personnel at the ISC.

VII. Conclusions

Cy 2005 marks the first year the NMR has reported initiative operational targets and subsequent outcomes using the new Performance Management Process (PMP) efficiency and effectiveness performance measurement tables spread throughout this Annual Report. These graphic presentations illustrate how both NMR goals are on target. Clear evidence of successful initiative productivity is present throughout the report, and one must conclude the inescapable...drug availability is being reduced, DTOs are being disrupted or dismantled (Goal 1), and these accomplishments are being done efficiently, effectively and at less budgetary cost through HIDTA sponsored training and information sharing (Goal 2).

Cheaper, of course is not necessarily better. Merely because an initiative improves its performance without increased funding does not prove efficiency or effectiveness by itself. Positive outcomes can also be illustrated by positive behavioral changes exhibited by NMR program participants. Key questions to be asked: Are law enforcement agencies working together better and more effectively? Is information reaching the people who need it? Have traditional barriers among different law enforcement agencies been eroded sufficiently that these entities can find a common ground to pursue common goals? Are we making real progress in addressing illicit drug trafficking? Has the NMR contributed to achieving these outcomes? The results set forth in this CY 2005 Annual Report suggest that all these questions can be answered affirmatively.

Historically, it was uncommon for diverse law enforcement entities to share strategic or operational information. Many agencies feared a breach of security or confidentiality if they permitted "outsiders" to look at confidential files. Naturally, this stifled many opportunities to avoid duplication of effort, and one can only speculate about how many drug and other violent crimes remain unsolved because information held by one department or agency was never shared with another. Fortunately, in the 14 years the NMR has been in existence, there has been a slow but steady positive increase in the number of initiatives, number of participant agencies in each initiative, number of queries or data elements shared through the NMR computer infrastructure, number of interactions between law enforcement, intelligence and prosecution activities, and a significant increase in cooperative, efficient and effective interagency effort. The bottom line...interagency barriers are gradually but steadily falling. Technology is also facilitating this behavioral transition. Disparate database files that could not be connected in the past can now communicate, over high-speed computer networks to share data and facilitate joint law enforcement, intelligence and prosecution initiatives. The NM ISC is an active participant in the ongoing connectivity pilot program of the National Drug Seizure System (NDSS) connecting the El Paso Intelligence Center (EPIC), the Arizona Region ISC, and the California Border Alliance Group (CBAG), with the NM ISC. The connectivity is expected to be completed by mid 2005.

With support from the NMR Investigative Support Center (ISC), law enforcement initiatives operating in the NMR continue to make significant progress in identifying, investigating and dismantling the most dangerous and prolific drug trafficking organizations operating in New Mexico. As the tables and charts presented throughout this report clearly attest, NMR initiatives have achieved their primary Goal 1 objectives.

Illicit drug availability has been severely reduced. These seizures equated to approximately \$48,651,095 in street value; a staggering amount removed from the market place. These seizures, coupled with drug asset seizures exceeding \$15,263,452, have put a major crimp in DTO activities. one hundred fifty-nine (159) DTOs were either severely disrupted or totally put out of business. Overall, the cost of doing business for the NMR DTOs has been increased by \$63,914,547. All this was accomplished with fewer dollars spent; precisely the results sought.

NMR is extremely pleased that its initiatives comply fully with the precepts of Goals 1 and 2. Namely, they have been extremely efficient and effective in achieving their results to date, and continue to improve going forward. CY 2005 marked a positive turning point in the NMR history of fighting illicit drug activities. HIDTA leadership, both nationally and locally, envisioned an organization that could do even more than had been accomplished in previous years. It saw an organization that could improve by becoming more proactive. NMR initiatives were already working harder each year. Now they needed to be working smarter. They needed more planning and less reacting. In other words, NMR initiatives must now get in front of the drug trafficking curve by outsmarting and outmaneuvering the drug traffickers and abusers.

For several years the NMR has been developing the necessary technology and expertise to facilitate strategic planning to maximize its operational results. NMR leadership saw that the initiatives now need to make more use of these tools through more training, and through even greater agency participation than had been experienced in the past. During CY 2005, the NMR mission was refined, and the organization developed a clear Vision of where it wanted to be, and what it wanted to accomplish, recognizing that operational effectiveness can and should be measured and held up to the light of accountability.

Measurable results for each federal dollar spent. This principle was adopted as a key component of the new NMR focus on meaningful outcomes. As of CY 2005 and going forward, this is one of the main principles that now guide how every NMR initiative approaches its effort to reduce drug crime and its harmful consequences. More than 59 federal, state and local agencies in the NMR region participate in the NMR law enforcement, investigative support, and prosecution initiatives. Proactive thinking is also the touchstone of the NMR local support as, staff strives to foster efficiency and effectiveness among and between the initiatives under its guidance, through interagency cooperation and information sharing.

Step one in the NMR strategy for the preceding year was to develop goals and objectives that each initiative could embrace, with measurable outputs and outcomes that could form the basis for a reasonable means of self assessment and evaluation. The national HITDA goals provided the roadmap. The NMR Executive Committee carefully considered the nature of their activities and provided the vision and mission. Based on many years of direct experience in the field, initiative supervisors, agency managers, and NMR technology provided the necessary infrastructure to consolidate available resources, and provided a platform for intelligence gathering and information sharing. Thus, NMR gave birth to a working multi-system, where every initiative now has a clear set of objectives, and where the cumulative product can be measured, evaluated, and fine-tuned as needed.

Although the NMR has made considerable progress over the past year, there is still a great deal of work left to do. The emergence of internationally-connected drug trafficking organizations; the continuing unacceptably high levels of heroin addiction and drug related crime in northern New Mexico; and, in selected other regional sites, the persistent abuse of methamphetamine, cocaine, marijuana, MDMA, and the enduring popularity of synthetic hallucinogens, are all threats that the NMR must continue to address. By bringing together criminal justice professionals and developing innovative, effective solutions to the region’s drug threats, the NMR will continue to lead the effort to protect regional residents from the scourge of illegal drugs.

VIII. Appendices

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- B. Table listing the composition of the Executive Board showing local, state, and federal affiliation.
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- D. HIDTA PMP Matrix
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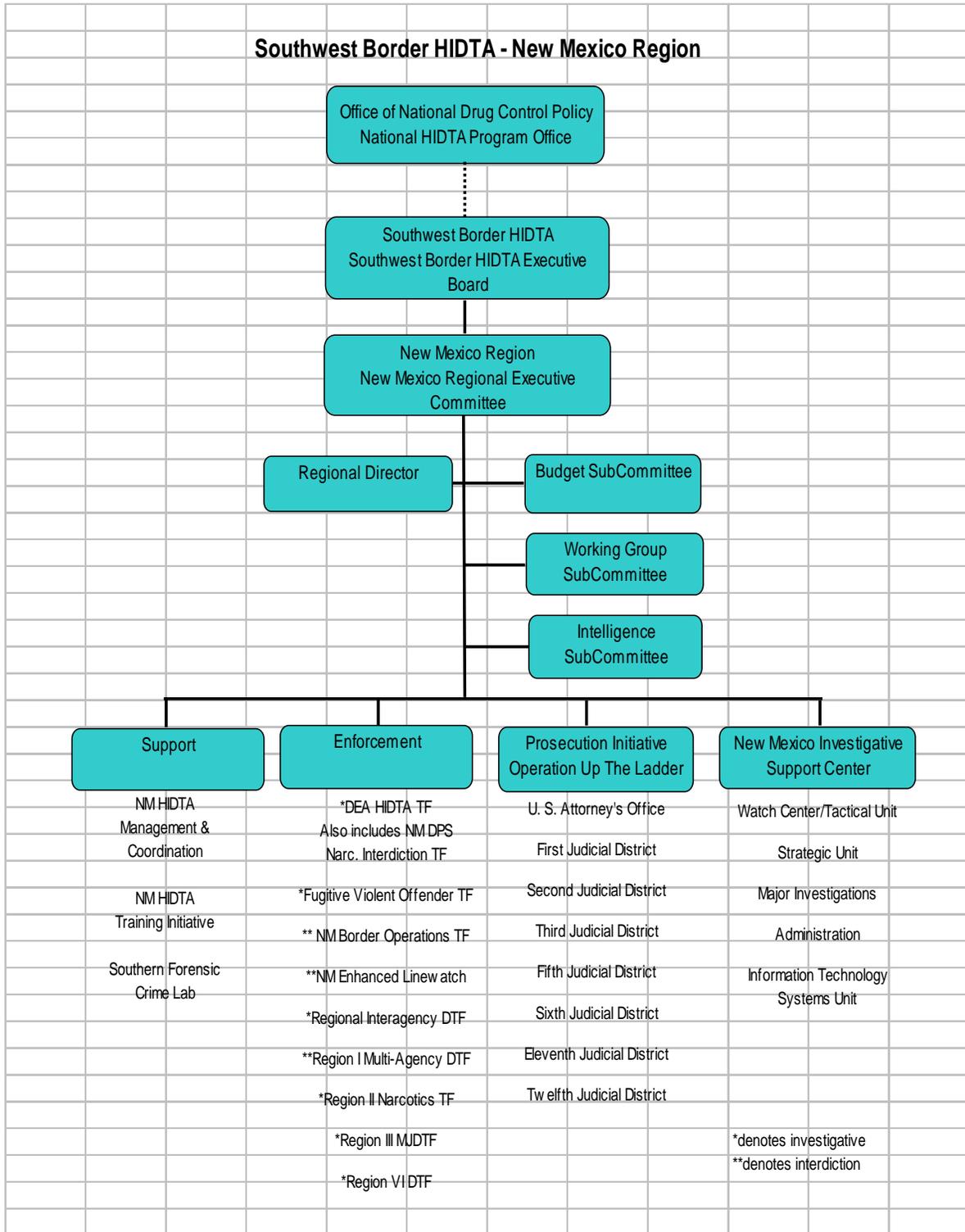
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APPENDICIES

A. TABLE OF ORGANIZATION:



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B. NEW MEXICO REGIONAL EXECUTIVE COMMITTEE MEMBERS:

Chairman: United States Marshal's Service, United States Marshal Gordon Eden.
Vice-Chairman: New Mexico State Police, Deputy Chief Richard Newman.
Dona Ana County Sheriffs Office, Sheriff Juan Hernandez.
Albuquerque Police Department Chief Gilbert Gallegos.
Drug Enforcement Administration, Assistant Special Agent in Charge Robert Hartman.
United States, Attorney's Office, Supervisory, Assistant United States Attorney Renee Camacho.
Eddy County Sheriff's Office, Sheriff Kent Waller.
Third Judicial District Attorney's Office, District Attorney, Susana Martinez.
United States, Bureau of Customs and Border Protection, Chief Patrol Agent Luis Barker.
United States, Bureau of Immigration and Customs Enforcement, Deputy Special Agent in Charge, Ronald Woods.
Federal Bureau of Investigation, Assistant Special Agent in Charge, Robert Evans.
San Juan County Sheriff's Office, Sheriff Bob Melton.
First Judicial District Attorney's Office, District Attorney Henry Valdez.
New Mexico, Sheriff's & Police Association, Executive Director Jim Burleson. (2004 became a voting member)
United States, Alcohol, Tobacco, & Firearms, Resident Agent in Charge, Wayne L. Dixie, Jr.
Probation & Parole, New Mexico Department of Corrections, Robert May, (Ex-Officio).

C: PARTICIPATING AGENCIES:

1. United States Marshal Service
2. United States Drug Enforcement Administration.
3. New Mexico State Police.
4. Bernalillo County Sheriff's Office.
5. Albuquerque Police Department.
6. Las Cruces Police Department.
7. Roswell Police Department.
8. United States Federal Bureau of Investigation.
9. United States Immigration and Customs Enforcement.
10. United States Bureau of Customs & Border Protection.
11. AMTRAK, New Mexico.
12. Silver City Police Department.
13. Grant County Sheriff's Office.
14. Sun Land Park Police Department.
15. Dona Ana County Sheriff's Office.
16. New Mexico State University Police Department.
17. First Judicial District Attorney's Office.
18. Second Judicial District Attorney's Office.
19. Third Judicial District Attorney's Office.
20. Fifth Judicial District Attorney's Office.

21. Sixth Judicial District Attorney's Office.
24. Eighth Judicial District Attorney's Office.
25. Eleventh Judicial District Attorney's Office.
26. Twelfth Judicial District Attorney's Office.
27. Farmington Police Department
28. San Juan County Sheriff's Office.
29. Espanola Police Department.
30. Rio Arriba County Sheriff's Office.
31. Santa Fe County Sheriff's Office.
32. Los Alamos Police Department.
33. Chaves County Sheriff's Office.
34. Roswell Police Department.
35. Hobbs Police Department.
36. Lea County Sheriff's Office.
37. Alamogordo Department of Public Safety.
38. Otero County Sheriff's Office.
39. Artesia Police Department.
40. Carlsbad Police Department.
41. Eddy County Sheriff's Office.
42. Southern Crime Laboratory.
43. United States Attorney's Office.
44. Hidalgo County Sheriff's Office.
45. New Mexico National Guard.
46. Corrales Police Department.
47. Hatch Police Department.
48. Rio Rancho Department of Public Safety.
49. Santa Fe Police Department.
50. Tatum Police Department.
51. Eunice Police Department.
52. Lovington Police Department.
53. Lincoln County Sheriff's Office.
54. Ruidoso Downs Police Department.
55. Moriarty Police Department.
56. Sandoval County Sheriff's Office.
57. Belen Police Department.
58. Torrance County Sheriff's Office.
59. Los Luna's Police Department.

D. New Mexico Region PMP Matrix:

APPENDIX B

SOUTHWEST BORDER HIDTA-NEW MEXICO REGION

THREAT ASSESSMENT AS OF SEPTEMBER 30, 2004																ANNUAL REPORT								
Goal 1 - Disrupt the market for illegal drugs by Dismantling or Disrupting Drug Trafficking Organizations		New Mexico DEA Task Force	Region I Narcotics	Region II Drug Task Force	Region III Drug Task Force	Region IV Drug Task Force	Regional Emergency Response	Fugitive Violent Offender T/F	Border Operations T/F	NM Enhanced Line watch Operations	Region I Drug T/F	NM Investigative Support Center	Operation Up the Ladder	PROGRAM A	PROGRAM B	PROGRAM A	PROGRAM B	MANAGEMENT	TRAINING	Southern Crime Laboratory				
GEOGRAPHIC AREA	THREAT DESCRIPTION	INVESTIGATIVE							INTERDICTION	INTELLIGENCE	PROSECUTION	TREATMENT	PREVENTION	ADMINISTRATIVE			PERFORMANCE MEASURES & NARRATIVE							
New Mexico HIDTA Area	HIDTA TARGETED THREAT	13 International Multi-Drug DTOs identified as of 9/30/04	X	X	X	X	X	X	X	X	X													
		National Multi-Drug DTOs identified as of 9/30/04	X	X	X	X	X	X	X	X	X	X												
		4 Regional Multi-Drug DTOs identified as of 9/30/04	X	X	X	X	X	X	X	X	X	X												
		1 Local Multi-Drug DTOs identified as of 9/30/04	X	X	X	X	X	X	X	X	X	X												
		36 Local DTOs in Albuquerque as of 9/30/2004	X	X	X	X	X	X	X	X	X	X												
		2 Local DTOs in Las Cruces as of 9/30/2004	X									X												
		X Local DTOs in San Juan County as of 9/30/2004	X																					
		1 Local DTOs in Rio Arriba as of 9/30/2004		X																				
		2 Local DTOs in Santa Fe County as of 9/30/2004																						
		7 Local DTOs in LEA County as of 9/30/2004		X																				
		8 Local DTOs in Otero County as of 9/30/2004		X																				
		19 Local DTOs in Eddy County as of 9/30/2004		X																				
		7 Local DTOs in Chaves County as of 9/30/2004		X																				
		6 Local DTOs in Luna County as of 9/30/2004		X																				
		1 Local DTOs in Dona Ana County as of 9/30/2004		X																				
		Multi-Ton Quantities of illegal drugs are smuggled at the Region's 4 POEs	X						X															
		Multi-Ton Quantities of illegal Drugs are smuggled and transported via commercial carriers, private vehicles, etc.	X																					
		Transport Area for Methamphetamine destined for Midwest	X																					
Human Distribution and Abuse/Heroin Distribution and Abuse	X																							
Millions of Dollars of illegal drug money flow through the Region via bank cash shipments, wire transfer, financial	X																							
Drug Traffickers Operate in and through the Region								X																
Diversion of Precursor Chemicals																								
Pharmaceutical Drug Diversion																								
Goal 2 - Improve the Efficiency and Effectiveness of HIDTA Initiatives		New Mexico DEA Task Force	Region I Narcotics	Region II Drug Task Force	Region III Drug Task Force	Region IV Drug Task Force	Regional Emergency Response	Fugitive Violent Offender T/F	Border Operations T/F	NM Enhanced Line watch Operations	Region I Drug T/F	NM Investigative Support Center	Operation Up the Ladder	INITIATIVE G	PROSECUTOR A	PROSECUTOR B	PROGRAM A	PROGRAM B	PROGRAM A	PROGRAM B	MANAGEMENT	TRAINING	Southern Crime Laboratory	
GEOGRAPHIC AREA	INITIATIVE NEEDS	INVESTIGATIVE							INTERDICTION	INTELLIGENCE	PROSECUTION	TREATMENT	PREVENTION	ADMINISTRATIVE			PERFORMANCE MEASURES & NARRATIVE							
New Mexico HIDTA Area	INFORMATION SHARING & COORDINATION	Improve Public and Officer Safety in Ongoing Investigations										X												
		Increase Case/Subject Decoupling Participation											X											
		Increase Database Queries											X											
		Increase Analytical Intelligence Case Support											X											
		Increase Intelligence Alerts/Newsletters/Bulletins											X											
		Improve Information Exchange and Intelligence Development by Using ISC Central Database to Coordinate											X											
		Increase Forensic Drug Analysis-On-Site Assistance to Clandestine Drug Lab Scenes											X											
	Increase Full-Time Analytical Support Personnel to HIDTA ISC from Participating Federal, State, and Local Agencies											X												
TRAINING	Improve Skills of HIDTA Initiative and participating Agency Personnel by offering Training in areas where needs are identified.																					X		
HIDTA BUDGET INFORMATION																						TOTAL BUDGET		

E. SOUTHWEST BORDER HIDTA, NEW MEXICO REGION INITIATIVES:

INVESTIGATIVE

1. New Mexico DEA HIDTA Task Force.
2. Region II HIDTA Narcotics Task Force.
3. Region III Multi-Jurisdictional Drug Task Force.
4. Region VI Drug Task Force.
5. Regional Drug Interagency Task Force.
6. Fugitive Violent Offender Task Force.

INTERDICTION

7. Border Operations Task Force.
8. New Mexico Enhanced Line Watch Operations.
9. Region I Narcotics Task Force.

SUPPORT

10. Operation up The Ladder.
11. New Mexico Investigative Support Center
12. New Mexico Management and Coordination Initiative.
13. Southern Crime Laboratory.
14. New Mexico Region Training Initiative.